GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA

UNSTARRED QUESTION NO:5401
ANSWERED ON:15.05.2007
PRICE FIXATION FOR DTH BROADCASTERS
Barad Shri Jashubhai Dhanabhai

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether the Direct to Home (DTH) broadcasters are free to fix the prices for their channels;

(b) if so, the details and the reasons therefor; and

(c) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING AND PARLIAMENTARY AFFAIRS (SHRI P. R. DASMUNSI)

(a): Yes, Sir.

(b): In large parts of the country, the incumbent cable TV services are not required by regulatory mandate to provide their services through an addressable system. CAS has been mandated for cable TV services in notified areas which is in very limited part of the country. Throughout the non-CAS areas, the incumbent cable television operators, who enjoy the dominance in the market, are not required by any regulatory mandate to introduce an addressable system. Therefore, regulation of pricing for DTH services is likely to be interpreted to mean that the new entrant DTH operators are asymmetrically regulated against the incumbent mode of delivery which has dominant market share.

(c): Government is of the view that market forces will bring down prices with increase in number of service providers.